

**LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS**

Bill Number: HB 123a

51st Legislature, 2nd Session, 2014

Tracking Number: .195694.1

Short Title: Early Childhood Program Teacher Retention

Sponsor(s): Representative Christine Trujillo and Senator Timothy M. Keller

Analyst: James Ball

Date: February 14, 2014

AS AMENDED

The House Education Committee amendments:

- **redirect the focus of the demonstration project toward child-care teachers who have participated in a state-funded early childhood scholarship program or attained a degree in early childhood education; and**
- **amend the contract criteria to require the Children, Youth and Families Department to contract with a nonprofit entity or entities to implement and manage the demonstration project in compliance with the *Procurement Code*.**

Original Bill Summary:

HB 123 makes an appropriation to the Children, Youth and Families Department (CYFD) to fund a demonstration project to increase the quality of early childhood education programs for children from birth to five years of age by providing incentives to increase retention of teachers in early childhood education programs.

CYFD shall contract with a nonprofit organization with at least two years demonstrated experience in achieving zero attrition among early childhood teachers to manage the demonstration project.

Fiscal Impact:

\$300,000 is appropriated from the General Fund to CYFD for expenditure in FY 15. Unexpended or unencumbered funds revert to the General Fund.

Fiscal Issues:

The Fiscal Impact Report (FIR) from the Legislative Finance Committee (LFC) states that the LFC budget recommendation includes an increase of \$700,000 to support provider training and education advancement.

LFC also notes that language in HB 123 is unclear as to how the funds will be distributed within the parameters of the *Procurement Code* and in compliance with the *Anti-Donation Act*.

Technical Issues:

The Department of Health (DOH) notes in its analysis of an identical bill (SB 155) that it is unclear if the demonstration project applies to all early care and education programs, including, Pre-K, child-care, Head Start and Early Head Start, Preschool Special Education, Home Visiting, and Early Intervention.

DOH also points out that it is not clear whether the term “early childhood teachers” is used to apply to all personnel working with young children birth to age 5. Without this clarification it is not certain whether or not early intervention agencies working within the Family Infant Toddler Program would be eligible for participation in the demonstration project.

Substantive Issues:

According to CYFD, over the years New Mexico has consistently invested in efforts to train, educate, and provide technical assistance to the early childhood education workforce to improve and sustain high quality. One of the biggest challenges to maintaining a high-quality early childhood workforce is the high turnover rate in personnel. The state agencies that support early childhood programs must provide resources to support the workforce, such as creating a community of learners, coaching, and ongoing training.

The FIR notes that, according to national research, one of the higher predictors of staff turnover is inadequate compensation. However, the lack of resources and an effort to maintain affordable child-care for parents create a challenge for individual child-care programs and homes to reward or encourage teacher retention through salaries. With high turnover the quality of the program goes down and in some cases, after the state has invested funding and staff time in providing training, technical assistance, and support, programs must close due to lack of staff.

Background:

According to the FIR, CYFD currently supports provider education and advancement through training and technical assistance programs and scholarships. These programs assist early childhood teachers with early childhood education while they are already working. The scholarships are available for tuition, textbooks, travel stipends, and compensation incentives. Incentive programs have been shown to support workforce stability through annual stipends, which supplement low salaries.

Committee Referrals:

HEC/HAFC

Related Bills:

HB 7 *General Appropriation Act of 2014*
SB 68 *County & Tribal Early Childhood Services*
SB 155 *Early Childhood Teacher Retention (Identical)*